Declaration of Mark Enzenberger

- 1. I have over 35 years of business experience, with 27 years specifically in the area of telecommunications product management, pricing and operations, and 19 of those years with Alaska Communications or its predecessor, Anchorage Telephone Utility. I currently serve as Senior Manager, Strategic Opportunity Analysis & Pricing for Alaska Communications. I have personal experience with network engineering, deployment and operations in Alaska. I hold a Bachelor of Science in Electrical Engineering from Michigan Technological University and a Master of Business Administration from Brigham Young University.
- 2. In my role with Alaska Communications, for the past several years, I have lead the company's effort to understand market dynamics impacting the availability and pricing of transport capacity and other services, and I have been involved in carrier relations functions for all transport acquisitions to augment the Alaska Communications core network with third-party services.
- 3. Based upon my experience, locations in Alaska that remain unserved by broadband today lack affordable access to fiber-optic cable facilities. In particular, the parts of Alaska that are not on the road system or electrical grid, known as the Bush, typically are not served by fiber. In many cases, these are not served by point-to-point microwave or other terrestrial facilities, but rather rely on satellite services at bandwidth levels in T-1 increments as their only link to urban locations, the rest of the nation, and the Internet. Satellite service has been considered suitable (though not ideal, due to latency, reliability and other factors) for voice transmission to and from the Bush, but it is not considered

Alaska Communications Systems
Petition To Deny
GCI-Liberty, Inc.

Exhibit B

cost effective nor adequate for high-speed broadband, especially not for applications such as video streaming where latency is a problem. For Internet access, locations in the Bush are typically first linked to Anchorage or Juneau, and from there via undersea fiber-optic cable to the nearest Internet peering point -- either Portland, Oregon or Seattle, Washington.

- 4. GCI has deployed the most fiber by far in Alaska to date. As the largest cable operator and one of the two largest long-distance carriers in the state, GCI deployed fiber in its cable network as well as a large amount of long-haul or "middle mile" fiber connecting many different communities in the state to more densely populated areas. (Most rural Alaska traffic, whether transmission intended between Alaska and the Lower 48 or overseas points, or transmission intended to remain within Alaska, passes through aggregation, switching and routing facilities in Anchorage or Juneau.) GCI also operates two undersea cables linking Alaska with the Lower 48 states. Between its middle mile network and these undersea cables, GCI owns more fiber than any other single entity in the state.
- 5. GCI has deployed a large fiber and microwave inter-exchange ring in western Alaska called "Terra" linking some communities where GCI is the LEC and a number of other communities. GCI was able to deploy the Terra system using a large grant/loan combination from the U.S. Department of Agriculture. GCI has been extending Terra to additional communities in the northwest part of the state.

2

- GCI leases some ACS capacity, but ACS relies far more heavily on GCI facilities,
 especially on middle-mile routes connecting remote communities to our fiber facilities in
 Anchorage, Fairbanks and Juneau.
- 7. Alaska Communications serves many Bush communities, most of which are not connected to our fiber network in Anchorage, Fairbanks or Juneau, but for which we must rely on GCI for the middle mile connection. In other words, Alaska Communications is the local exchange carrier, and may also provide Internet access, but for any customer in these communities to be connected requires that the long-haul transport between the Bush and, say, Anchorage be provided by GCI or another interexchange carrier. (Alaska Communications also uses AT&T where possible for this purpose, but GCI has the more extensive fiber network.) In addition, Alaska Communications frequently seeks to provide service to schools, hospitals and health care clinics in rural and Bush Alaska where it must rely on third-party carriers for transport capacity.
- 8. On some occasions, GCI has provided us quotes for capacity on Terra exceeding what we have been told is offered to retail customers. Alaska Communications has sometimes needed to use less robust but more cost-effective satellite capacity to serve customers in communities served by the Terra middle-mile network.
- 9. The problem of GCI pricing above market levels occurs in many parts of the state, not just the Bush. In Sitka and Ketchikan, for example, GCI has the only terrestrial network facilities with available capacity. There are some older microwave transport links to these communities, but these are typically capacity-constrained, so they offer insufficient

Alaska Communications Systems
Petition To Deny
GCI-Liberty, Inc.

Exhibit B

capacity for our broadband needs. Similarly, GCI controls the only non-satellite-based service available to Kodiak Island. GCI has demonstrated willingness to use its market position to throttle competition, for example, in rural Sitka, where it quoted us a higher

10. That GCI is pricing its fiber capacity above market rates (at least for wholesale customers

price for the same level of service that is provided for in current contracts.

like ACS) also can be seen by the effects of competitive entry in remote locations such as

Deadhorse, Alaska. In Deadhorse, GCI's price per Mbps on existing fiber facilities

quickly dropped from \$1000 to \$250 following the introduction of a new fiber-based

wholesale offering by Quintillion. Unfortunately, we do not expect Quintillion to extend

its network to the interior of Alaska, nor to southeast Alaska or the Aleutian chain, all

regions where Alaska Communications urgently needs affordable access to fiber in order

to deliver broadband to unserved customers.

11. Alaska Communications competes with GCI head-to-head for business customers where

both companies have their own facilities. In areas where Alaska Communications has

deployed fiber, we are very competitive. However, in areas where GCI controls the only

fiber capacity, we typically cannot compete on price, because GCI offers retail prices to

its enterprise customers that it does not make available to wholesale competitors such as

Alaska Communications.

MJDEN

The foregoing is true and complete to the best of my information, knowledge and belief.

June 19, 2017

4

Declaration of Beth R. Barnes

- I have 20 years of experience in market research and analysis. I serve as Director,
 Consumer Product and Marketing for Alaska Communications, responsible for research
 and analytics. Prior to my joining Alaska Communications, I held the position of
 Research Analyst with the State of Alaska. I hold a Bachelor of Science in Business
 Administration degree from Drake University and a Masters of Business Administration
 degree from the University of Wisconsin, Oshkosh.
- 2. In my role at Alaska Communications, I have led research and analysis of the local exchange/exchange access market, the broadband market, and other telecommunications and information services markets in Alaska. For the past several years I have lead the company's effort to estimate Alaska market size and share by product category. This exercise is conducted up to four times per year. In this work we disaggregate data found in publicly available documents, including financial statements, as well as internal sources, according to useful product categories, such as: Voice/Narrowband Telecommunications, Internet/Broadband, Video, IT/Managed Services, Business Wholesale, and Other Wholesale. External sources include: Securities and Exchange Commission ("SEC") filings such as Form10-K annual reports, Universal Service Administrative Company ("USAC") reports, financial reports of non-public companies, and Gartner reports. Internal sources are used to help fill gaps in information from published sources. As an example, our sales teams are knowledgeable about the bids we have submitted in response to customer requests for proposal ("RFPs"), and even when

Alaska Communications Systems Petition To Deny

GCI-Liberty, Inc.

Exhibit C

we have failed to win a contract, they frequently have some information about the

winning bid that enables us to approximate the revenue generated under that contract.

The information is verified using industry "spend" data as reported in Gartner reports.

Based upon my experience, collection criteria, and validation efforts, I believe my

conclusions to be reasonably accurate.

3. GCI is the largest provider of local exchange service, based on total customers, in Alaska.

They dominate the local telephone market just as they dominate the market for delivery

of video services through their cable broadband offerings – they have wireline facilities

into the largest number of homes of any Alaska service provider. GCI also is one of the

two largest interexchange carriers (AT&T being the other) and GCI has more long-haul

(middle mile) fiber than any other entity in the state. GCI also is the second-largest

provider of mobile wireless voice and broadband services in the state. Typically, GCI

combines its telephone and data telecommunications capabilities with wireless and cable

television offerings to provide service bundles. Many of these bundles include services

that Alaska Communications cannot match, since we have no mobile wireless network

nor any video offerings.

The foregoing is true and complete to the best of my information, knowledge and belief.

Both R Row S Date: 6/19/2017

2

Exhibit D

Declaration of Mike Todd

- 1. I currently serve as SVP, Consumer Markets, for Alaska Communications. I have over 28 years of experience in the area of telecommunications engineering, operations and business management, nine of those years with Alaska Communications. Prior to my joining Alaska Communications, I held the position of Staff Operations Director with Sprint. I hold a Bachelor of Science in Engineering Technology Telecommunications Speciality from Texas A&M University, and a Masters in Business Administration from the University of Texas.
- 2. At Alaska Communications I had personal responsibility for network maintenance and service reliability. For several years of my service with Alaska Communications, I was responsible for service restoration in the event of an outage. This declaration supports the Petition to Deny and specifically the assertion that GCI exercises market power where it has bottleneck control of essential facilities, and should be compelled by regulation to enter into commercially reasonable service restoration agreements.
- 3. In our industry, temporary service arrangements (typically resale) are offered between U.S. telecommunications carriers as a common courtesy in times of a serious service disruption, such as when a cable is cut, to allow the affected carrier to restore services to customers as quickly as possible even while its own network is being repaired. The normal practice is for carriers such Alaska Communications, GCI and others to maintain mutual service restoration agreements in anticipation of such events. However, we do not

Alaska Communications Systems
Petition To Deny
GCI-Liberty, Inc.
Exhibit D

have a general service restoration agreement in place with GCI, even though they and we are the only two companies with fiber on most routes, such as between Alaska and the Lower 48.

- 4. Service interruptions due to cable cuts do occur in Alaska because of seismic activity (volcanic eruptions and earthquakes) as well as floods and other natural phenomena. In addition, much of our wireline plant is buried underground rather than strung on poles where itmcan be seen, making our lines vulnerable to construction cuts and other threats; or our cable lies on the sea floor where it is vulnerable not only to natural disasters but also to shipping activity.
- 5. In July 2014, after an earthquake and a submarine landslide that followed, Alaska Communications lost service on its undersea fiber-optic cable linking Anchorage and Juneau. The damage was substantial, and service throughout southeast Alaska was affected, impacting voice and data services in the state capital. This event required that Alaska Communications call for emergency deployment of a cable repair ship from Victoria, British Columbia, Canada. Ultimately, we had to replace approximately 9.5 kilometers of undersea fiber optic cable. This took 20 days. Given the scope of the work to be done, it is remarkable that all the repairs were completed as quickly as they were. Still, we could not leave customers without service that long. Alaska Communications tried to negotiate reasonable terms with GCI, which operates the only other cable on the same route, but GCI refused to give us terms that were commercially reasonable. Instead GCI tried to gouge Alaska Communications while we were in a position of vulnerability.

Alaska Communications Systems
Petition To Deny
GCI-Liberty, Inc.
Exhibit D

6. Alaska Communications was able to restore essential services to the state capital and the affected region within 24 hours, thanks to a service restoration agreement it negotiated with another carrier that had some surplus capacity of its own on GCI's cable. The price offered by GCI and rejected by Alaska Communications was roughly four times more expensive than what we were charged by the other carrier. In my experience, GCI has not behaved in accordance with industry norms in this regard.

The foregoing is true and complete to the best of my information, knowledge and belief.

June 19, 2017